



# The West Lafayette News

Fall 2004

## 2005 West Lafayette budget: Meeting our needs responsibly

By Mayor Jan H. Mills

We have nearly completed the 2005 West Lafayette city budget process. Remaining are the public hearing on Sept. 7 and the final vote on Sept. 22, both at 7:30 p.m. at City Hall.

Public comments and media reports during the budget process have raised some concerns in the minds of West Lafayette citizens. I want to provide you with more detail regarding the budget and assure you the budget is responsible, will not bankrupt the city and does not use money set aside in pension funds. Expenditures represent timely appropriations from saved resources and will be used to improve our quality of life.

As your new mayor, I relied on the assistance and guidance of the city's chief financial officer, Clerk-Treasurer Judy Rhodes. We spent many hours working together to present a budget to the council. I appreciate the hard work of Ms. Rhodes and her staff in helping me to maintain the historical budget timeframe. For many years, the city has followed the same schedule of initial budget presentations to the council in July, with the final budget approval in September. This year, we began earlier and had more meetings and work sessions than ever before, and the council has played an active role in looking at budget appropriations.

Cities and towns continue to face the challenges of providing the best possible services and quality of life amenities within the framework of the revenues they receive. With the financial condition of our state and nation in the last few years, providing services has become increasingly difficult, particularly with unfunded state and federal mandates. With the 2005 budget, the City of West Lafayette is responding to these challenges.

On Sept. 7, I will submit to the council an amended budget for 2005. The amendment cuts nearly \$2 million from the budget proposal. The \$16,027,230 budget for 2005 is an increase of 4.3 percent over the 2004 budget. The property tax levy and tax rate will be 4.9 percent higher than 2004. This translates into a tax rate of \$0.71 per \$100 of assessed value and will allow

us to continue to provide the highest quality city services.

Recurring personnel costs, including almost \$1 million of personnel benefits, account for 71 percent of the property tax portion of the budget. Another \$3.3 million will be spent on recurring operating expenses of the city, one-time contracts and small equipment. The city continues to feel the effects of escalating insurance, utility and gasoline costs.

Public safety remains a high priority in the 2005 budget. In January and again in August of 2005, we will add a firefighter, with the goal of adding a third in July of 2006. We are making these additions in order to continue to provide the highest quality First Responder and fire protection services for our citizens, and to ensure our firefighters' safety. Two other salaried positions were moved into non-property tax funds to balance that salary obligation in the general fund. We will not add an additional police officer this year, but will continue to replace the oldest of our police vehicles.

A second focus of the 2005 budget is the maintenance of our public infrastructure and facilities. We plan to commit more dollars to one-time public improvements such as streets, curbs and sidewalks. We are able to make these improvements while keeping property taxes low because we do long-term planning for capital projects and utilize funds outside the general fund that are replenished semi-annually by the state. This allows us to save revenues until adequate funds exist for major projects.

With council approval, we hope to move forward with the Salisbury Street sidewalk project that was originally planned for 2004. That project was not begun this year because the bid exceeded the money available. Combining 2004 dollars with expected revenues in 2005 will allow the project to be fully funded. Other proposed traffic management and maintenance projects include the construction of Tapawingo Drive South, the reconstruction of Williams Street and pedestrian improvements to Sycamore Lane. These projects will use mostly federal transportation dollars. We will also continue our annual efforts

### Budget Timeline to Date

- May: Mayor Mills holds meetings with city employees
- Mid-June: Preliminary departmental budgets presented
- July 6 and 13: Department heads present their budgets to the City Council for discussion
- July 16: Council Budget and Finance Committee holds discussions
- July 26: Mayor presents final form of the budget to Council
- July 29: Council discusses budget
- Aug. 2: Council discusses and passes budget on first reading
- Aug. 10: Mayor and Council hold budget work session
- Aug. 19: Budget and Finance Committee holds meeting



A section of crumbling sidewalk on Salisbury Street where carpet has been placed to make it safer. A priority of the 2005 budget is replacing the sidewalks on Salisbury to make them safer and wheelchair accessible.

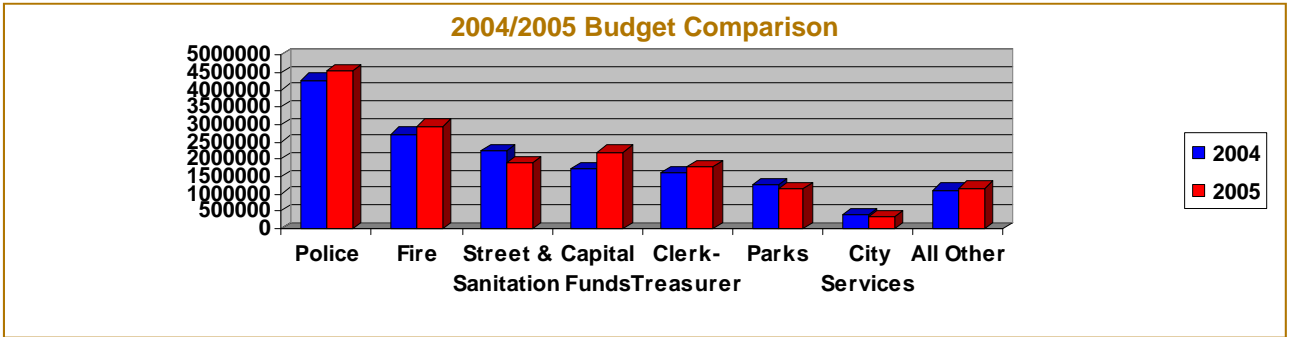
*Continued on back page*

to replace damaged sidewalks and resurface city streets.

Funding for the 2005 budget comes from property tax dollars, additional annual revenues such as gasoline, excise, alcohol and county option taxes, and city fees and fines. Contrary to some media reports, no pension fund monies are being used to fund the 2005 budget. We expect to end 2004 with an 18-20 percent operating balance in the general fund. Annual revenues in 2005 are expected to be in excess of \$15 million, allowing the city to continue its very strong, fiscally conservative position.

West Lafayette, like every other municipal or county government in Indiana, is facing police and fire pension challenges in the future. In 1977, the state legislature reformed these mandated pensions. However, it will take decades before all employees and retirees are in the new system. We expect 6 or 7 firefighters to retire in the

next 3 to 5 years. We plan to fund our pension obligations through a combination of revenues, including property taxes and money transferred from the Public Employees' Retirement Fund pension reserve accounts. The council has expressed concern about our ability to meet our pension obligations, prompting me on Aug. 11 to ask the city's



financial consultant, H.J. Umbaugh and Associates, to provide us with a financial review and strategies for meeting our obligations in the years ahead.

Developed with the assistance of the clerk-treasurer, city department heads, the council and citizen input, the 2005 budget is a responsible one that: (1) will allow the city to provide basic services, especially public safety; (2) keep tax increases to a minimum; and (3) maintain city reserves to meet future needs.

**WEST LAFAYETTE**  
**CITY OF**  
**PURDUE**  
UNIVERSITY  
HOMECORP

Jan H. Mills, Mayor  
Judy Rhodes, Clerk - Treasurer  
West Lafayette City Hall  
609 West Navajo Street  
West Lafayette, Indiana 47906  
Phone: 765 -775 -5100  
Fax: 765 -775 -5248  
www.city.west-lafayette.in.us

BULK RATE  
U.S. POSTAGE  
PAID  
LAFAYETTE, IN  
PERMIT NO. 243

This document was created with Win2PDF available at <http://www.daneprairie.com>.  
The unregistered version of Win2PDF is for evaluation or non-commercial use only.